

Export University

Export 101

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Responsible for:

FX, Documentary Trade Business

ExIm Lending; SBA International loans

ExIm: Working Capital Guarantee Program



Typical Borrower

Manufacturers and distributors, often with their business in a growth mode. Companies looking to build export sales.

Products

Goods produced in the U.S. (**50% U.S content min.**), including industrial products, agricultural products, foods, and commodities such as lumber. Technology companies are also good candidates.

Borrower's Issues

- Current bank facility is too restrictive.
- Foreign accounts receivable are ineligible.
- Forecasting strong export growth.
- Additional liquidity needed.

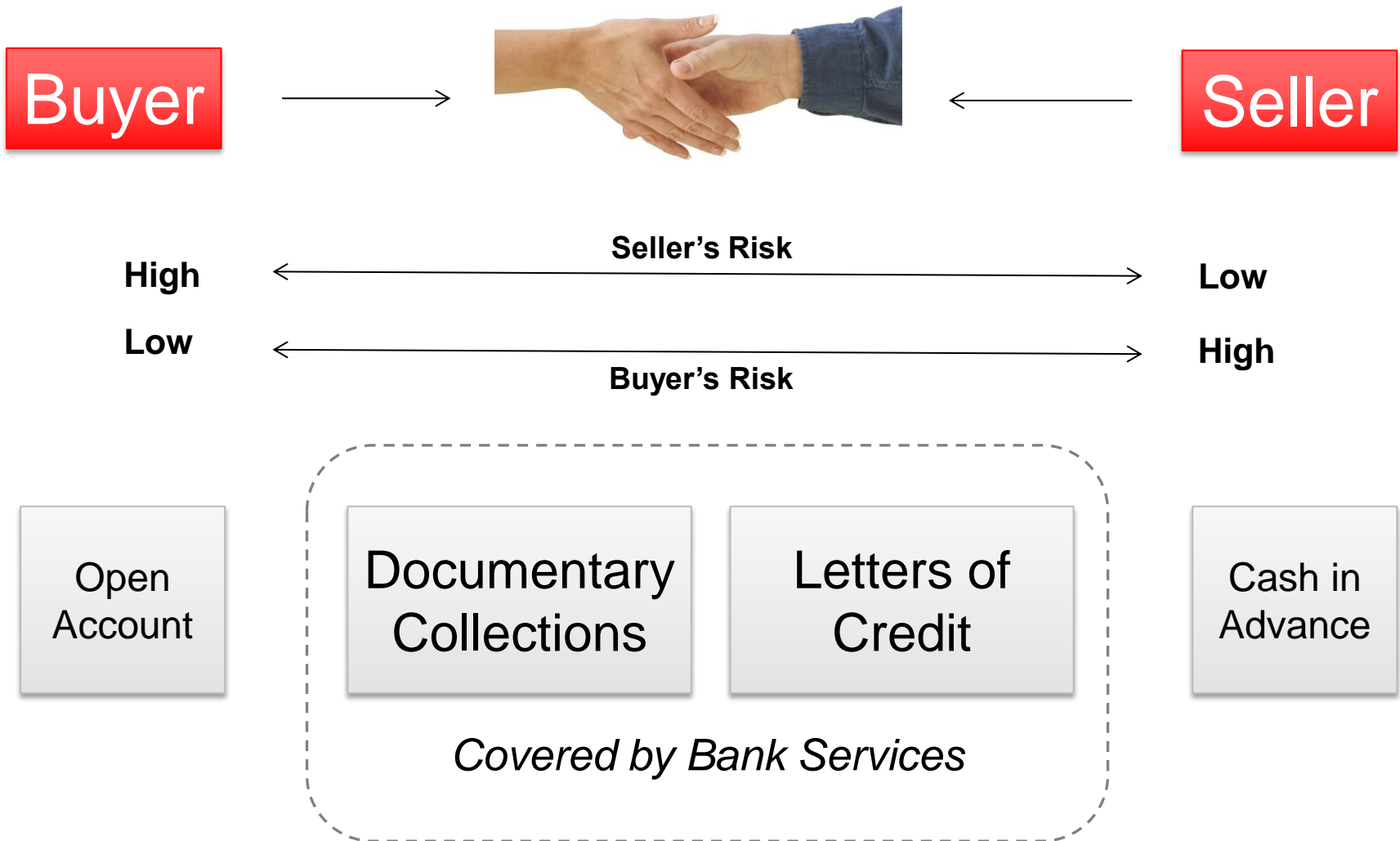
Borrowing Capacity

- 90% ExIm guarantee to Santander.
- San has Delegated Authority and can issue the guarantee up to \$5 million.
- On export-related inventory, up to 75% advance rate (including work-in-process).
- On foreign accounts receivable, up to 90%.

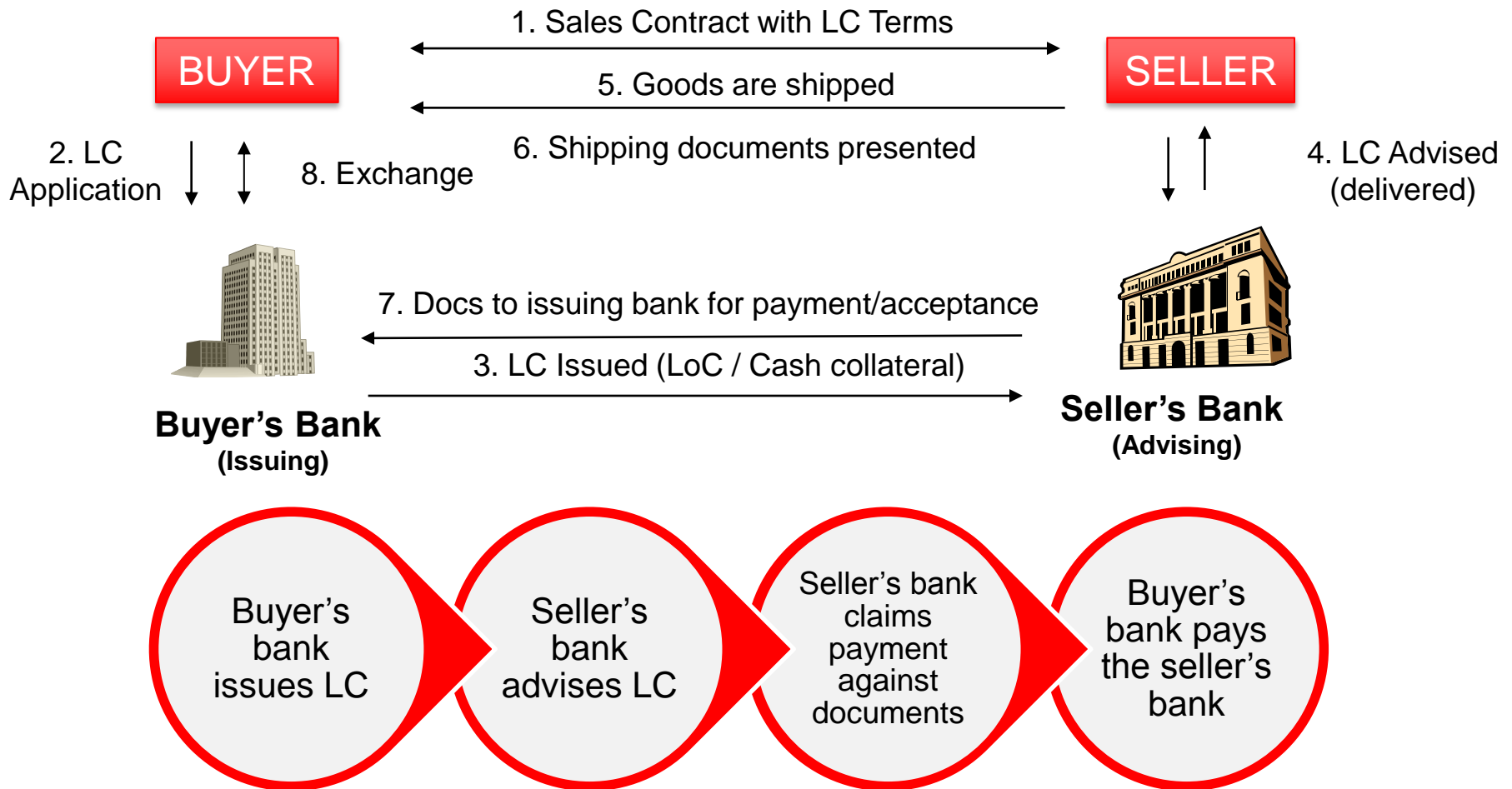
Benefits

- Fulfills export sales orders.
- Converts export-related inventory and accounts receivable into cash.
- Enhances value of existing collateral base.
- Collateral requirement to issue standby letters of credit is only 25%, instead of the standard 100% cash collateral generally required.

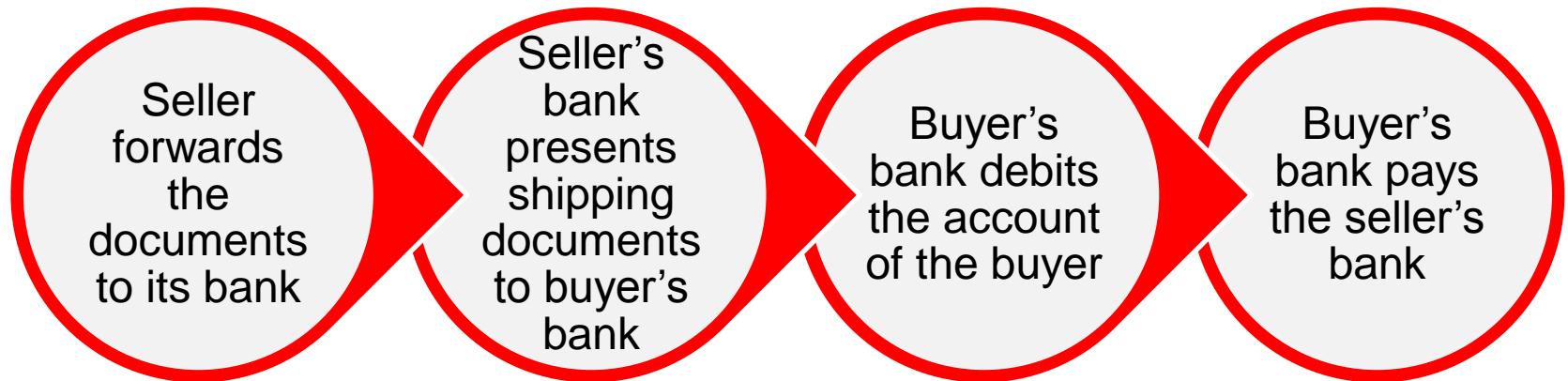
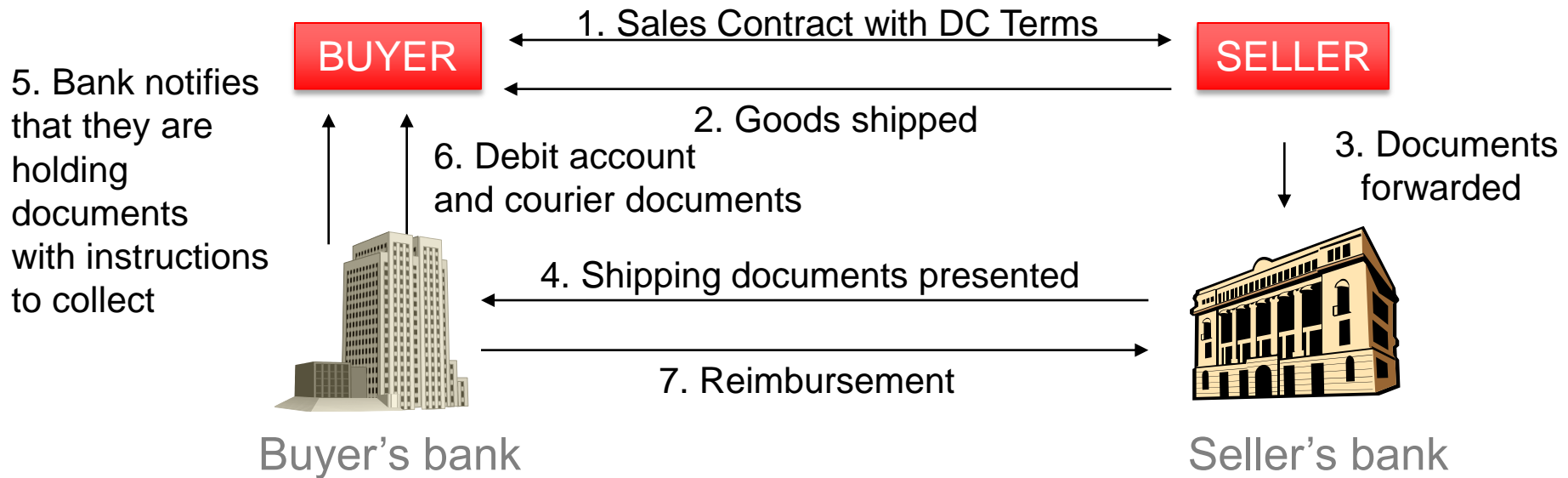
Solutions to Minimize Trade Risk



Letters of Credit

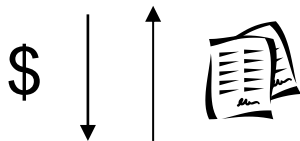


Documentary Collections



Letters of Credit – Sight, Term

BUYER



Buyer's Bank

Sight

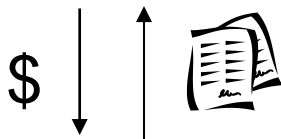
- If the LC calls for payment at SIGHT, providing the documents are not discrepant, the buyer's bank collects the funds from the buyer and releases the original shipping documents to the buyer. The buyer's bank then remits funds to the seller's bank for onward payment to the seller.

\$



Seller's Bank

BUYER



Buyer's Bank

Time Terms

- If the LC calls for payment on TIME TERMS, providing the documents are not discrepant, the buyer's bank commits to paying the seller's bank at maturity and then releases the original documents to the buyer. On the maturity date, which is normally confirmed by the seller's bank via swift, the buyer's bank collects payment from the buyer then remits funds to the seller's bank for onward payment to the seller.

Acceptance \$



Seller's Bank

Stand-by Letters of Credit (SBLCs)

Mitigates the risk that the applicant will not perform as agreed under a contract



Santander Group strengths for International SBLCs 10 core markets

- 30 countries in global footprint
- >2,000 banks in our international network
- Expertise of our Trade Specialists

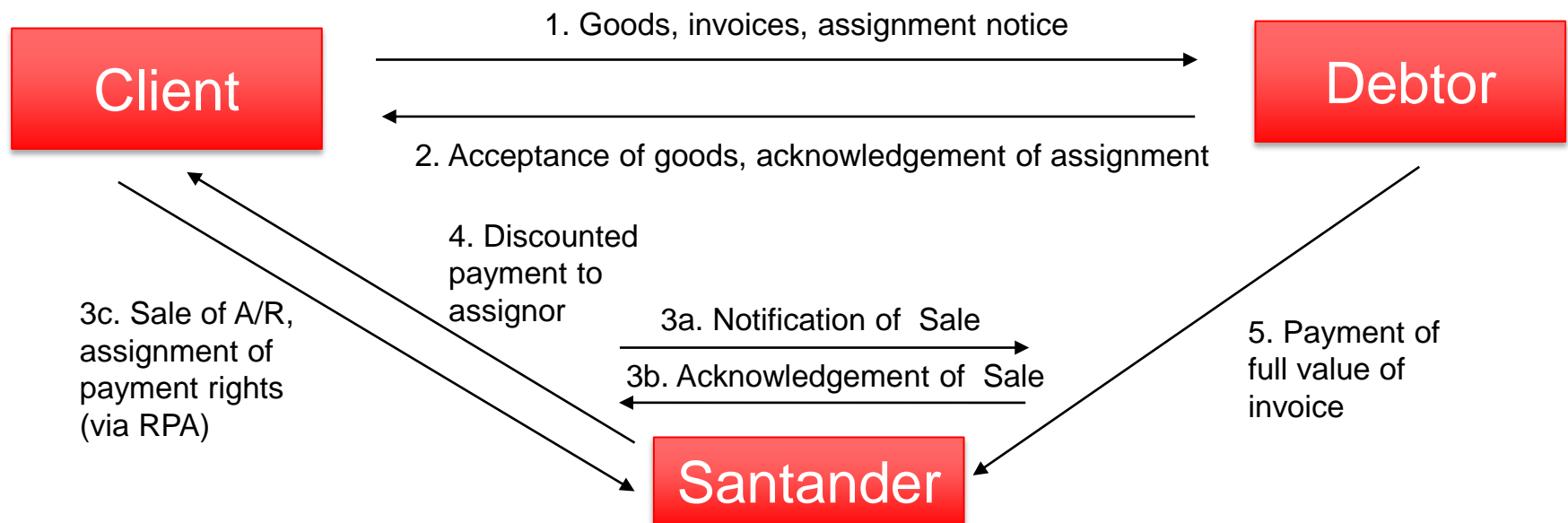
Trade Related Financing – Receivables Discounting

Purpose:

- Used by Companies to obtain working capital by selling account receivables that meet lender's credit criteria.

Benefits:

- Improved working capital management by accelerating debtors payments
- Credit Risk mitigation - eliminating future payment risk on debtors*
- Diversifying funding source via non bank debt



*Commercial dispute resolution risk stays with the client

Santander Trade Portal

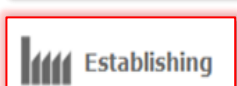
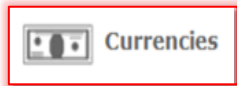
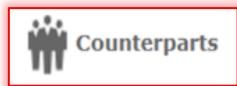
A unique portal where an easy, well organized and agile structure helps you navigate and find relevant international trade information for you to go global.

[www.santanderbank.com/
tradeportal](http://www.santanderbank.com/tradeportal)



⇒ On this website, companies can find answers to the following questions:

- ✓ **In which country should I choose to do business in?** Companies will find useful information on new markets and business opportunities.
- ✓ **What companies are available for me to do business with?** Database to **find potential customers and suppliers** as well as competitors.
- ✓ **How to do business?** Tailored services explaining international regulations applicable to specific products.
- ✓ **What currency should I use to conclude a sale/purchase contract?** A converter of 147 international currencies along with information on the degree of market openings.
- ✓ **What services does Santander offer if I am looking to do business abroad?** Detailed information on Santander's products and services to manage your foreign trade.
- ✓ **What steps should I take to get established abroad?** Companies will find useful information on how to get established in a foreign country.

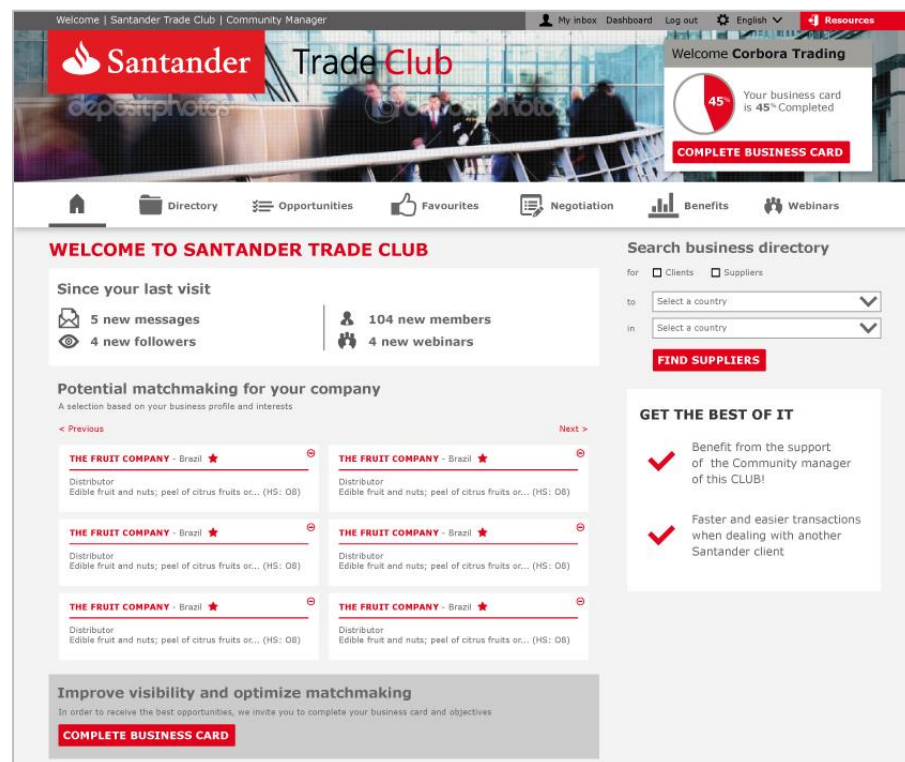
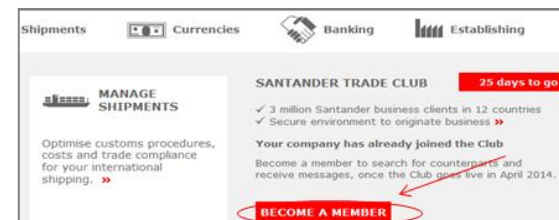


Santander Club & ICC Certification

Santander Club is a community of importers and exporters who are customers of Santander Bank. Registration for the Club is open now!

Santander Club & ICC allows to:

- 1 Communicate with other Santander customers around the Globe who are of interest.
- 2 Gain knowledge with free online webinars on various international topics.
- 3 Get in touch with vendors around the Globe who can assist you with international activities.
- 4 Access to a FREE International Chamber of Commerce training course.



International Desk

-  United States
-  Mexico
-  Puerto Rico
-  Colombia
-  Peru
-  Uruguay
-  Brazil
-  Chile
-  Argentina
-  Portugal
-  Spain
-  Poland
-  Germany
-  United Kingdom
-  Asia Region
-  Africa Region

14 COUNTRIES
&
2 REGIONS

The ID deals with International Companies

PARENTS & SUBSIDIARIES

